

NEIGHBORHOOD STABILIZATION PROGRAM
APPLICATION FOR RESERVATION OF FUNDS
STATE OF GEORGIA
ACTION PLAN

Jurisdiction(s): <i>(submitted by):</i> Jurisdiction Web Address: <i>(URL where NSP Substantial Amendment materials are posted)</i>	NSP Contact Persons: Address: Telephone: Email:

THE STATE OF GEORGIA WILL ACCEPT REQUESTS FOR RESERVATION OF FUNDS UNDER TITLE III OF THE HOUSING AND ECONOMIC RECOVERY ACT (HERA) SEC. 2301 ENTITLED “EMERGENCY ASSISTANCE FOR THE REDEVELOPMENT OF ABANDONED AND FORECLOSED HOMES”.

A. AREAS OF GREATEST NEED

Provide summary needs data identifying the geographic areas of greatest need in the applicant’s jurisdiction.

Note: The local jurisdiction must identify the area(s) of greatest need(s) and provide analysis of contributing factors that created the need described.

Response:

B. DISTRIBUTION AND USES OF FUNDS

Provide a narrative describing how the distribution and uses of the applicant's NSP funds will meet the requirements of Section 2301(c)(2) of HERA that funds be distributed to the areas of greatest need, including those with the greatest percentage of home foreclosures, with the highest percentage of homes financed by a subprime mortgage related loan, and identified by the applicant as likely to face a significant rise in the rate of home foreclosures. **Note:** The applicant's narrative must address these three stipulated need categories in the NSP statute, but the applicant may also consider other need categories.

Response:

C. DEFINITIONS AND DESCRIPTIONS

(1) Definition of "blighted structure" in context of state or local law.

Note: For the purposes of the Georgia NSP the following definition shall apply: Pursuant to O.C.G.A. 22-1-1 "Blighted property," "blighted," or "blight" means any urbanized or developed property which: (A) Presents two or more of the following conditions: (i) Uninhabitable, unsafe, or abandoned structures; (ii) Inadequate provisions for ventilation, light, air, or sanitation; (iii) An imminent harm to life or other property caused by fire, flood, hurricane, tornado, earthquake, storm, or other natural catastrophe respecting which the Governor has declared a state of emergency under state law or has certified the need for disaster assistance under federal law; provided, however, this division shall not apply to property unless the relevant public agency has given notice in writing to the property owner regarding specific harm caused by the property and the owner has failed to take reasonable measures to remedy the harm; (iv) A site identified by the federal Environmental Protection Agency as a Superfund site pursuant to 42

U.S.C. Section 9601, et seq., or environmental contamination to an extent that requires remedial investigation or a feasibility study; (v) Repeated illegal activity on the individual property of which the property owner knew or should have known; or (vi) The maintenance of the property is below state, county, or municipal codes for at least one year after notice of the code violation; and (B) Is conducive to ill health, transmission of disease, infant mortality, or crime in the immediate proximity of the property.

Response:

(2) Definition of “affordable rents.” Applicants may use the definition they have adopted for their CDBG program but should review their existing definition to ensure compliance with NSP program –specific requirements such as continued affordability.

Note: The State will require the NSP program recipients to follow the HUD regulations as set forth in 24 CFR 92.252.

Response:

(3) Describe how the applicant will ensure continued affordability for NSP assisted housing.

Note: The State will require NSP projects to follow the affordability requirements for the HUD HOME program as set forth in 24 CFR 92.252 (2) (2) for rental housing and in 24 CFR 92.254 for homeownership housing, based on the amount of NSP funds provided for each project. All rental housing affordability restrictions will be imposed by deed restrictions. When there is more than one financing source (besides NSP) imposing land use restrictions on a project, the most restrictive requirements will apply to the project.

For homeownership projects, the DCA NSP program loan documents including a subordinate deed to secure debt, loan agreement and/or note will be used to enforce the required period of affordability.

In accordance with HERA, in the case of previously HOME-assisted properties for which affordability restrictions were terminated through foreclosure or deed in lieu of foreclosure, an NSP applicant will be required to reinstate the HOME affordability restrictions for the remaining period of HOME affordability or any more restrictive continuing period of affordability required by any other financing source participating in the NSP project.

Response:

(4) Describe housing rehabilitation standards that will apply to NSP assisted activities.

Note: At a MINIMUM, NSP rehabilitation activities must meet the following:

- a) Newly constructed or rehabilitation of single or multi-family residential structures being funded using NSP assistance must, at project completion, meet all applicable regulations in accordance with Minimum Standard Georgia Building Codes (<http://www.dca.state.ga.us/development/constructioncodes/programs/codes2.asp>) as well as all locally adopted codes
- b) All requirements of 24 CFR Part 35 as related to lead-based paint shall apply to NSP activities.
- c) All single and/or multifamily residential structures must also meet all federal and state accessibility requirements including but not limited to those associated with the use of federal funds.

Response:

D. LOW INCOME TARGETING

Identify the estimated amount of funds appropriated or otherwise made available under the NSP to be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals or families whose incomes do not exceed 50 percent of area median income: \$_____.

Note: At least 25% of funds must be used for housing individuals and families whose incomes do not exceed 50 percent of area median income. The response must describe the methodology their project will use to ensure that **at least** 25% of NSP funds will be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals or families whose incomes do not exceed 50 percent of area median income

Response:

E. ACQUISITIONS & RELOCATION

Indicate whether applicant intends to demolish or convert any low- and moderate-income dwelling units (i.e., $\leq 80\%$ of area median income).

If so, include:

- The number of low- and moderate-income dwelling units—i.e., $\leq 80\%$ of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities.
- The number of NSP affordable housing units made available to low-, moderate-, and middle-income households—i.e., $\leq 120\%$ of area median income—reasonably expected to be produced by activity and income level by each NSP activity providing such housing (including a proposed time schedule for commencement and completion).
- The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.

Response:

F. PUBLIC COMMENT

Provide a summary of public comments received to the proposed NSP Substantial Amendment.

Note: The applicant must agree to the following:

As required by the Housing and Community Development Act, the Georgia Department of Community Affairs has adopted a written Citizen Participation Plan, available on the DCA website at

<http://www.dca.state.ga.us/communities/CDBG/programs/downloads/CDBGForms/CitizenParticipationPlan.pdf>.

Applicants for and recipients of CDBG/NSP funds certify that they will follow this plan that requires that local units of government will provide for and encourage participation in the planning, implementation and assessment of their CDBG/NSP program.

In order to meet these goals, applicants must, at a minimum, meet the following requirements.

1. Hold at least one (1) public hearing in the locality prior to submission of an application to DCA. The purpose of the hearing will be to obtain citizens' views and

input in the development of their Neighborhood Stabilization Program (NSP) application. The applicant must furnish information including the estimated amount of funds proposed to be used for each NSP activity.

Note: For joint or regional applications, separate public hearings for each jurisdiction are required. A single public hearing, however, may serve the needs of each jurisdiction, provided that (a) each jurisdiction shares a central location and (b) the hearing is clearly publicized to residents of all applicable jurisdictions. If a single hearing is proposed, please contact DCA for guidance.

2. Notification of the public hearing must be published not less than five (5) calendar days prior to the date of the hearing in the non-legal section of a local newspaper of general circulation or on the jurisdiction's web page.
3. Hearings must be held at times and locations convenient to potential or actual beneficiaries and with accommodations for the disabled. The needs of non-English speaking residents must be met for public hearings where a significant number of non-English speaking residents can be reasonably expected to participate. Contact DCA for any required assistance.
4. Applicant files must contain documentary evidence that the actions listed herein have been taken, including copies of actual notices and minutes of hearings.
5. Citizens must be provided with reasonable and timely access to local meetings, information and records relating to the local government's proposed and actual use of CDBG/NSP funds as required by HUD regulations, state law, or DCA policy.
6. This section should not be construed to restrict the responsibility or authority of the local government for the development and execution of its community development program.
7. The applicant must certify in the Certified Assurances component of the application that the requirements above have been met.

Response:

G. *NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY)*

(1) Activity Name:

(2) Activity Type: (include NSP eligible use & CDBG eligible activity)

(3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e., $\leq 120\%$ of area median income).

(4) Activity Description:

Include a narrative describing the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

(5) Location Description: (Description may include specific addresses, blocks or neighborhoods to the extent known.)

(6) Performance Measures (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent).

(7) Total Budget: (Include public and private components)

(8) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information)

(9) Projected Start Date:

(10) Projected End Date:

(11) Specific Activity Requirements:

For acquisition activities, include:

- discount rate

For financing activities, include:

- range of interest rates

For housing related activities, include:

- duration or term of assistance;
- tenure of beneficiaries--rental or homeownership;
- a description of how the design of the activity will ensure continued affordability

H. Complete a budget summary for each activity including source(s) of funds and use(s) for each activity proposed in Section G. See the guidance below for the preparation of *DCA NSP Form H*.

The purpose of this form is to allow applicants to describe, in detail, the resources available, or to be made available, for each activity. Applicants are encouraged to provide sufficient quantifiable data and to describe supporting efforts for the proposed program. Form DCA NSP Form H should be backed-up by credible estimates of program cost prepared by individuals and agencies qualified to provide them.

Leverage may be cash or in-kind services. Its source may be local public funds, other state or federal funds, or private investments or contributions. Whatever the source, it must be evidenced by a firm written commitment in order to demonstrate a proposed program's readiness to proceed.

◆ **Line item instructions**

- ✓ In **column 1**, list the NSP eligible use using the uses found in the HERA statute at Title III, 2301(c) and at the federal register at FR-5255-N-01. Rather than stating each use in its entirety, please use the appropriate letter found in the law and the federal register. For example, use the letter (D) to indicate the use as "Demolish Blighted Structures."
- ✓ In **column 2**, list the activity name and number. See the note on the activity numbering system below.
- ✓ In **column 3**, briefly itemize NSP funds allocated for each activity. These brief summaries can reference additional detail that may be included in reports and attached to the application. The purpose of this form is to allow a review panel to compare unit costs. Be sure to provide units and costs (i.e., "construct 5,000 SF health center @ \$75 SF -- total cost: \$375,000).

Total engineering and architectural costs must be itemized here and shown in columns 3 through 6.

Housing applications including rehabilitation activities for units constructed prior to 1978 should budget an additional 25% of the total estimated rehabilitation cost to fund compliance with lead-based paint regulations.

Sufficient detail should be provided in this column to support proposed engineering and inspection fees. Such data should include detail on proposed services, as well as estimated fees for design services, conferences, travel, resident and periodic inspections, tests, surveys, printing and reproduction, additional services, etc.

- ✓ In **column 4** reference the NSP cost, if any, for each item shown in column 2. If the item in column 2 will not be paid for with NSP funds, indicate by placing a -0- in column 4.
- ✓ In **column 5** show the amount of "other funds" (not NSP) that will be used to pay for itemized costs. The source of these funds should be identified on **column 6**.
- ✓ In **column 7**, enter the total amount of funds available to carry out the proposed activity. On each page of *DCA NSP Form H* use **block 8** to subtotal columns 3, 4 and 5. On the final page, use **block 9** to total all pages.
- ✓ Attach clear commitments from the appropriate agencies.

◆ **Note on Activity Numbering System**

The activity number is used in this application on the *DCA NSP Form H*. In all instances, the activity should be referred to both by the activity number and activity name, as explained further below. In addition, all activities must be eligible as listed in the federal register at FR-5255-N-01.

The activity number system has two components:

- The prefixes indicate the purpose of the activity as follows:
 - A = Administration
 - E = Economic Development
 - H = Housing
 - P = Public Facility
 - T = Engineering
 - S = Architecture
- The second component is the budget code. The codes can be found below. Every code is comprised of three (3) alpha or numeric characters followed by a hyphen and then two (2) additional numeric characters. This code indicates the type of activity.

For example:

- P-001-00 = Acquisition of Property for a Public Facility
- H-001-00 = Acquisition of Property for Housing
- A-21A-00 = Grant Administration

Budget Codes

001-00 Acquisition of Property (all acquisitions)	03K-01 Street Improvements
002-00 Disposition of Property	03J-01 Water Facilities
003-00 Public Facilities and Improvements (other)	03J-02 Sewer Facilities
003-01 Domestic Violence Shelter	03L-00 Pedestrian Walkways
003-02 Group Home	03K-02 Flood and Drainage Facilities
003-03 Learning Center	03S-00 Facilities for AIDS Patients (not operating)
03A-00 Senior Centers	004-00 Clearance
03B-00 Centers for the Disabled/Handicapped	005-01 Public Services (General)
03C-00 Homeless Facilities (not operating costs)	008-00 Relocation Payments and Assistance
03D-01 Boys and Girls Club or other At Risk Facility	009-00 Payments for Loss of Rental Income
03D-02 Youth Shelter	14C-00 Rehabilitation of Public Residential Structures
03E-00 Neighborhood Facilities	14A-01 Rehabilitation of Private Properties
03G-00 Parking Facilities	015-00 Code Enforcement
03M-01 Child Care Center	14A-02 Reconstruction of Private Properties
03M-02 Head Start Center	003-05 Site Development
03P-01 Health Center - Mental	012-00 Housing – Construction
03P-02 Health Center – Physical	005-02 Homebuyer Education
03P-03 Health Center - Mental and Physical	013-00 Down payment/Closing Cost Assistance
03Q-00 Abused and Neglected Children's Facilities	X00-00 Other - General (Attach Description)
03F-00 Parks, Playgrounds and other Rec. Facilities	020-00 Planning
003-04 Public Utilities, other than Water & Sewer Fac.	21A-00 Administration (General)

The following is an example of how *DCA NSP Form H* may be completed:

<i>1</i> <u>NSP</u> <u>Eligible</u> <u>Use</u>	<i>2</i> <u>Activity</u> <u>Name/Number</u>	<i>3</i> <u>Itemized Unit</u> <u>Costs</u>	<i>4</i> <u>NSP</u> <u>Funds</u>	<i>5</i> <u>Other</u> <u>Funds</u>	<i>6</i> <u>Source of</u> <u>Other</u> <u>Funds</u>	<i>7</i> <u>Total Cost</u>
(A)	Down payment Assistance/H-013-00	20 homebuyers assisted at \$10,000 a unit	\$200,000	\$1,800,000	ABC Bank	\$2,000,000
(B)	Acquisition/H-001-00	Purchase 20 residential REO properties for an average of \$50,000 each	\$1,000,000	\$0	N/A	\$1,000,000
(B)	Housing Rehabilitation/H-14A-01	Rehabilitate 20 residential properties at \$50,000 each	\$1,000,000	\$0	N/A	\$1,000,000
(D)	Clearance/H-004-00	Demolish 10 dilapidated structures in the target area at the cost of \$4,000 per unit	\$40,000	\$0	N/A	\$40,000
(E)	Group Home/H-003-02	Develop vacant property to assist with neighborhood stabilization at total cost of \$100 per square foot for 5,000 square foot facility	\$100,000	\$400,000	CDBG Entitlement Funds	\$500,000
	Administration/H-21A-00		\$60,000			
	Totals		\$2,400,000	\$2,200,000		\$4,600,000

<p style="text-align: center;">Georgia Department of Community Affairs NSP Program Budget Analysis</p>

Applicant: _____

Original: _____ Amendment dated: _____

1 NSP Eligible Use	2 Activity Name/Number	3 Itemized Unit Costs	4 NSP Funds	5 Other Funds	6 Source of Other Funds	7 Total Cost
8 Subtotal		_____	_____	_____		_____
9 Grand Total (if final page)		\$_____	\$_____	\$_____		\$_____

Check here if continued on additional pages: _____ **Page** _____ **of** _____ **DCA NSP Form H**

Page ____ of ____

DCA NSP Form H

CERTIFICATIONS

(1) **Affirmatively furthering fair housing.** The jurisdiction will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard.

(2) **Anti-lobbying.** The jurisdiction will comply with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by that part.

(3) **Authority of Jurisdiction.** The jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations and other program requirements.

(4) **Consistency with Plan.** The housing activities to be undertaken with NSP funds are consistent with its consolidated plan, which means that NSP funds will be used to meet the congressionally identified needs of abandoned and foreclosed homes in the targeted area set forth in the grantee's substantial amendment.

(5) **Acquisition and relocation.** The jurisdiction will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601), and implementing regulations at 49 CFR part 24, except as those provisions are modified by the Notice for the NSP program published by HUD.

(6) **Section 3.** The jurisdiction will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.

(7) **Citizen Participation.** The jurisdiction is in full compliance and following a detailed citizen participation plan that satisfies the requirements of Sections 24 CFR 91.105 or 91.115, as modified by NSP requirements.

(8) **Following Plan.** The jurisdiction is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD (for HUD Entitlement jurisdictions) or the State of Georgia (for non-entitlement communities).

(9) **Use of funds in 18 months.** The jurisdiction will comply with Title III of Division B of the Housing and Economic Recovery Act of 2008 by using, as defined in the NSP Notice, all of its grant funds within 18 months of receipt of the grant.

(10) **Use NSP funds \leq 120 of AMI.** The jurisdiction will comply with the requirement that all of the NSP funds made available to it will be used with respect to individuals and families whose incomes do not exceed 120 percent of area median income.

(11) **Assessments.** The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if NSP funds are used to pay the proportion of a fee or assessment attributable to the capital costs of public improvements (assisted in part with NSP funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. In addition, with respect to properties owned and occupied by moderate-income (but not low-income) families, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than NSP funds if the jurisdiction certifies that it lacks NSP or CDBG funds to cover the assessment.

(12) **Excessive Force.** The jurisdiction certifies that it has adopted and is enforcing: (1) a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and (2) a policy of enforcing applicable State and local laws against physically barring entrance to or exit from, a facility or location that is the subject of such non-violent civil rights demonstrations within its jurisdiction.

(13) **Compliance with anti-discrimination laws.** The NSP grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601-3619), and implementing regulations.

(14) **Compliance with lead-based paint procedures.** The activities concerning lead-based paint will comply with the requirements of part 35, subparts A, B, J, K, and R of this title.

(15) **Compliance with NEPA.** The jurisdiction will comply with the National Environmental Policies Act of 1969 (NEPA) and HUD regulations implementing NEPA titled “Environmental Review Procedures for Entities Assuming HUD Environmental Responsibilities” (24 CFR Part 58).

(16) **Compliance with laws.** The jurisdiction will comply with applicable laws and regulations.

Signature/Authorized Official

Date

Title

Resources

The following are resources that may be helpful in development of your NSP Action Plan:

1. DCA: <http://www.dca.state.ga.us/>
Questions regarding action plan: nsp.questions@dca.ga.gov
2. HUD: <http://www.hud.gov/nsp>
3. Dataplace: <http://www.dataplace.org>
4. ICF Consulting: ICF set up a special NSP Web site to highlight current thinking, useful tools, and relevant background materials related to the NSP:
<http://www.icfi.com/nsp>
5. Home Depot: <http://www.homedepot.com/gov>
6. HousingPolicy.org: Resources on preventing foreclosures & stabilizing communities -- www.housingpolicy.org/foreclosure-response.html
<<http://app.bronto.com/public/?q=ulink&fn=Link&ssid=619&id=bh3ohfgrs53cr7farpz3dhib1zxlz&id2=k1nbz4ed58g09mov22wzb95yq81dd>
7. PEMCO, Ltd., the M & M contractor for HUD in Georgia. This website contains important information regarding the purchase of HUD homes in Georgia and maintains a database to search available properties.
<http://www.hudpemco.com>
8. The following website allows you to locate revitalization areas. You can search by city, county, zip code or property address.
<http://www.hud.gov/offices/hsg/sfh/revite/abtrevt.cfm>
9. This link provides a list of HUD-approved housing counseling agencies located in the state of Georgia:
<http://www.hud.gov/offices/hsg/sfh/hcc/hcs.cfm?webListAction=search&searchstate=GA>
10. This link outlines the steps for becoming a HUD-approved housing counseling agency:
<http://www.hud.gov/offices/hsg/sfh/hcc/hccprof13.cfm>